

INTERVIEW: David Sirota on Corporate Control of DC, Boeing Revelations

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Glenn Greenwald (GG): David Sirota has worked in journalism, politics, and the entertainment industry for many years. He has previously worked for the independent Senator Bernie Sanders of Vermont, both when Sanders was a House member and then as a presidential candidate. He was nominated for an Academy Award for Best Original Screenplay for his work, co-writing the 2022 Netflix film *Don't Look Up*. Sirota founded The Lever News back in 2020. It was under a different name at the time, and it is a reader supported site that specialises in original investigative reporting that follows the influence of corporate money in Washington, and it is subscriber and reader dependent, and yet has grown to employ 19 reporters and editors. Sirota just launched a new podcast called Lever Time as well. We will talk to him about all of that, as well as recent reporting he has done on how airline funded members of Congress are trying to block critical consumer reforms, as well as some of the problems inside Boeing. We are always delighted to have someone who is doing so well, kind of being an exemplary figure of what independent media can achieve. David, good evening. It's great to see you. Thanks for joining us tonight.

David Sirota (DS): Thanks so much for having me, Glenn.

GG: Sure. So before we get to these individual stories, which I actually want to focus and spend the bulk of our time on, I let's talk about The Lever, because obviously independent media and independent journalism is a major focus of mine. It's something that I believe is absolutely critical for our country. The ability to do real reporting, not just punditry, without relying on major media corporations and all the constraints that they have. So just talk a little bit about the origin story of The Lever and how it's grown into this kind of behemoth, that's really breaking some significant stories.

DS: Yeah, I mean, I was working on Bernie Sanders presidential campaign, as you mentioned, and after the campaign, I wanted to go back to journalism. I had taken a hiatus from journalism when I worked on Bernie's campaign. And I wanted to start an independent media outlet that focussed on money at the centre of it. By that, I mean following the money. Our stories, if you read them at levernews.com, you'll see almost all of them have money and

corporate power at the centre. And the reason, a readers supported entity I think is necessary for that, is because a reader supported entity gives you a foundation that's sustainable to report on power and money. Power and money doesn't usually fund adversarial investigative reporting about power and money. So that's why our model exists the way it is. And I think the stories we're going to discuss will illustrate the kinds of stories that we do and that in a lot of ways corporate media doesn't do.

GG: And I think a lot of times, too, there's a perception in independent journalism and independent media, often true, that the easiest way to succeed into developing a very enthusiastic subscriber base is if you kind of plant your flag in one political party or the other, or one side of the ideological spectrum or the other, and just kind of feed people the validating claims that they want to have. Your site, I think, above all avoids that. You are very bipartisan in the targets. And one of the stories that you actually broke and have had a major impact on, in terms of debates in Washington and on various news networks, is the story about the attempt by some people in Washington to reform the airlines industry, one of the worst industries to have to deal with. I know personally, I do everything possible to avoid domestic flying inside the United States because of how miserable it is, how abused you are, how impossible it is to even be treated like a human. So there's now some reform being proposed. And yet there are members of Congress who like to posture as populous, but who receive massive donations from the airlines industry, who are now blocking it. So this is what you've been doing, tracing this money, tracing the way in which these people are trying to block these consumer and passenger friendly reforms, talk about what these reforms are and how they're being blocked.

DS: So this story – and you're right, it does deal with both parties – this story starts, I think, way back in the 2022 Southwest Airlines debacle, where Southwest Airlines went down during the holidays. Its software went down. Then Secretary Pete Buttigieg, the Biden administration Department of Transportation Secretary, had been warned that he needed to get tougher with airlines in the lead up to this. He sort of ignored those warnings, and he got rightfully so – and we broke that story way back then – he got a lot of scrutiny and a lot of criticism and a lot of pressure to actually do his job. And for a while, he kind of pretended like he didn't have any power to deal with the airlines. But after enough pressure and scrutiny, guess what? He does have power to actually crack down on airlines. And so he ended up, in my view, doing the right thing. He put forward a rule, that says – it's kind of amazing that it hadn't been on the books before that – but that basically said, listen, if your flight gets cancelled or significantly delayed, the airlines have to automatically refund you your money. And let's underscore automatic. So the Biden administration put that rule out, about a week...

GG: And I think we should say that election years tend to foster these kinds of policies. Because there's an election in about six months and giving consumers and passengers something that they deserve, I think is more likely in an election year. But go ahead.

DS: 100%. And this seems like common sense, right? If the airlines don't render you a service, they have to immediately, automatically give you your money back. A lot of celebratory headlines. And then about a week later, we broke the story that in a must pass

aviation bill, dealing with the FAA, the oversight agency, forced lawmakers, four of the six top recipients of airline industry money, inserted a line into this massive bill, that if you read the bill, you might not even notice it, but it was eight words that basically says the passenger whose flight was cancelled or significantly delayed can get a refund upon request of the airline carrier. Now, this seems like a small little detail, but to my mind, and into the Biden administration's mind, it is everything. I mean, the Biden administration, when they announced their rule, they talked a lot about how it would avoid forcing customers into the cumbersome, Kafkaesque process of trying to get a refund. So here's what ultimately happened. Here's what really happened. The airlines gave a lot of money to these four lawmakers, at the Department of Transportation put out its rule, asked these lawmakers to enshrine the Biden administration rule in law, those lawmakers ignored that request and put eight words into this giant bill that puts the onus back on passengers to request the refunds. Now, why would the lawmakers do that? Why would the airline lobbyists want that? Well, because as we know from the past, during the pandemic, the airlines sat on 10 billion, that's billion with a b, \$10 billion of unpaid refunds and travel credits. So the airlines know that the harder they make it for you to get a refund back, a refund that you are owed, the more red tape, the more cumbersome a process, the fewer refunds they will have to pay, because they know that the harder the process is, the more it will deter some subset of the population that's owed money from actually going through the process of requesting the money.

GG: Yeah, I mean, it sounds, in the abstract, in kind of theory, like it's not that big or burdensome of a requirement; all you have to do is act. But of course, as you say, it's like dealing with health insurance companies or any insurance companies. The request ends up being something that requires hours of your time. If you want to call because something has gone wrong, you wait on hold for an hour. You often get disconnected. They're extremely rude. They make it as difficult as possible. Not necessarily when you want to buy a ticket, but when you want something that is yours, to get. Now, I saw Ted Cruz, being interviewed on CNBC because I believe he – I don't know if he's one of the four people that you mentioned, I want to ask you...

DS: He is.

GG: Okay. So he's one of the people being funded by the airline industry and has proposed, advocated this change that would basically gut the entire reform. And his argument was: Look, it's actually not good for the passenger, for the consumer to automatically refund their ticket, because a lot of times when people's flight gets cancelled, they don't want a refund, they just want to go on the next flight. And by forcing them into a refund, you're basically preventing them from doing what they want, which is just going on a flight, which is why the better solution is to only give refunds to people who say that they want them. What's your answer to that?

DS: Well, the answer to that is, that's just fundamentally false. That's just not actually true in any way. The way that the rule was written was they have to offer to rebook you and if you say no to a rebooking, they have to immediately give you your money back. So the notion that getting an automatic refund, or at least having the responsibility for an automatic refund

on the airlines somehow will harm travellers is just a lot of nonsense. It's a lot of distraction. And look, the reason is because to my mind, in my view, is that Ted Cruz is running for re-election in Texas. He's getting some scrutiny and pressure and public criticism for this. And he wants to have a rationale to say why he did it. He can't just come out and say, I did it because my airline funders asked me to make it harder for my constituents to get refunds. So he can't just come out and admit that. So he's got to come up with a rationale for it.

GG: Yeah. And all these people run on a platform, you know, Republicans and Democrats now have standing up to big corporations and trying to protect the little guy. And this is the kind of thing that actually happens in Washington as behind the scenes, this is how the legislation gets written. And a lot of times it's done in a way not to be noticed. And I think that's one of the things that's so important about your reporting. By the way, Ted Cruz is one of the four who are – I think I saw something in one of your articles that Senator Maria Cantwell, the Democrat from Washington, is as well. Is she one of the four? And who else is leading this?

DS: Yes. Yeah, it's the four members, the two members of the House, two members of the Senate, who oversee the Transportation Committee. And that is, Chairwoman Senator Maria Cantwell, Ted Cruz is the ranking member, Republican, on the committee. And then in the House, it's Congressman Sam Graves from Missouri, a Republican, and Congressman Rick Larsen from Washington.

GG: So I just want to shift gears a little bit, to something else that's been going on in the airline industry, which is the very serious and alarming problems that Boeing aircraft have had; near catastrophes with Alaska Airlines. I think a lot of people who question whether or not there's too much federal regulation and too much intrusion into the free market, I think that there is some legitimate functions for government. Making sure planes are safe would be one. Making sure medications are safe is another. And yet, it seems like there were these massive oversights that basically Boeing was just left to their own devices. They were able to cut corners for profit. You had an article in The Lever, by Freddy Brewster, that the title of which was *Airlines Filed 18,00 Reports Warning Regulators About Boeing 737 Max*, which is the plane that has caused a lot of these problems, so why is it that even though the regulators were being notified of these safety problems, these planes were continue to fly in such unsafe conditions?

DS: Well, two reasons. Boeing is one of the biggest spenders on influence in Washington, and has over many years, essentially bought a deregulatory policy in which Boeing gets to do so-called self inspections. That the FAA, the oversight agency, is so understaffed and under budgeted, that the agency has effectively outsourced the inspections of these planes to the companies themselves. I mean, self inspection should be – you know, Ronald Reagan talked about the nine most terrifying words are: I'm from the government, I'm here to help. To my mind, the most terrifying words are: self inspection of an airplane, right?! And the thing is, as we reported as well, that within the manufacturing affiliate of Boeing, Spirit AeroSystems, there were workers who were also warning about safety concerns in the manufacturing process of the fuselages. And so what we really see with Boeing, and Boeing is a monopoly,

that's another part of the problem here, in that Boeing, is a monopoly that is under regulated, spending a huge amount of money on influence in Washington and spending ever more money on things like stock buybacks and executive compensation rather than capital investments in its own capital infrastructure. It's really a perfect storm of bad. And the hope is that the reporting that we and others do, makes it a little bit better, at least pressures the government to actually do a better job at this.

GG: You know, I had Lee Fang on my show a couple days ago, and he, published a reporting addressing the question that I think a lot of people are very confused about, which is we keep hearing that one of the reasons Ukraine is having so much difficulty on the battlefield against the Russians, aside from the population difference that prevents Ukrainians from sending men to the front line, is that they just can't keep up with the artillery production of the Russians. So you have the United States that spends more money than the next 15 countries combined on our military, and even joining with NATO, we have no industrial capacity to provide the Ukrainians with artillery, even though we're now two and a half years into the war. And one of the reasons, as Lee described it, was very similar to what you're saying, but just to illustrate the point, that the way in which this \$1 trillion military budget gets spent is not by assessing the national security needs of the United States or the needs of the military, but by having lobbyists, including from Boeing and Northrop Grumman and all these major military contractors, come into Washington and lobby for the purchase of the most expensive weapon systems, including ones that end up being archaic and never working and the real national security needs end up getting completely neglected. So I think so often a lot of people talk about corporate influence, and it's very easy to forget about it, because a lot of times these concrete examples aren't really visible. And I think one of the things you're doing best is just making this very visible to how easily they are able to influence and manipulate the lawmaking process.

DS: And I'll just add to that on the Pentagon question. I mean, Freddy Brewster, the same reporter, broke a big story last week about this very little notice program in the Pentagon itself, where top Pentagon officials are going to work at times inside of defence contractors in roles in which they are then influencing the Pentagon to purchase materials, equipment, etc., etc. from those contractors they are working at. Which at one level seems, I mean, it seems, maybe not a big deal, but at another level it just underscores what you've just said, which is our decisions about purchasing, about what equipment is needed, are they being made on the basis of national security and governmental interest, or are they being made on the basis of who has the most influence, who has that influence to make to compel the government to pay the highest prices for things in lots of cases that the government doesn't actually need?

GG: Yeah. And of course, the Secretary of Defence, who oversees the Pentagon, came directly from the board of directors of Boeing in order to take the position as Pentagon chief under President Biden. Let me switch gears a little bit, because you have this relatively new podcast out, where you talk about a lot of your reporting and other things as well. And I was looking at some of the episodes in preparation for your coming on, and one of the most recent ones you did focussed on this question, and I don't think has gotten nearly enough attention

about just how anti-democratic the Democratic Party became in 2024, in this election cycle, to ensure that there could never be any debates or challenges within the party to the incumbent president, Joe Biden, even though all polls show how weak of a candidate he is. What is it that the Democratic Party did that is special or different in order to ensure that there were no challenges possible?

DS: Well, a couple of things. I mean, I think in the lead up in the last few years, the Democratic Party has done a very good job. At least the top of the Democratic Party has been successful, at essentially sending the message that if you run a primary against party-backed, establishment-backed candidates, you will be sent into the ground, you will potentially be blacklisted, your career inside of Democratic politics will essentially be over. We have seen that over and over down the ballot. Now, with regard to this current presidential election, I think what that has done is, first and foremost, it said to any potential major candidate, and by major, I mean a senator, a governor, candidates that have run in primaries in the past, it has said to them, if you even float your name, you are risking essentially career suicide. Now, on top of that, you saw the Democratic Party frontloading primaries. The effect of that putting states all up front, up at the top, having all the primaries happen in very short order, it makes it harder for candidates to – in the past, what they've done is they've won smaller states to build momentum, build name recognition, build a fundraising base to run in future primaries - by frontloading the primaries, it makes that process, that prospect much harder. In some states, the Democratic Party essentially cancelled primaries. The party basically said, we're not putting other candidates on the ballot other than Joe Biden, which is, to my mind, one of the most undemocratic things you can do. And meanwhile, one last thing I would say is that the democratic media machine – it's sort of an assumption that anybody running in a primary against any party establishment backed candidate is a fringe, is a joke, is something to not be taken seriously. You see that on MSNBC. You see that framing all throughout sort of corporate media in general. It's become kind of a religious assumption. And the thing to understand, Glenn, and I think this is really important, is that this is in some ways extremely ahistorical. As we trace in our podcast, which folks can go find at levertimepod.com, as we trace, the Democratic Party had a culture of primaries. I mean, you had Eugene McCarthy run against Lyndon Johnson, you had Ted Kennedy run against Jimmy Carter. Same thing for the Republicans, by the way, Ronald Reagan run against Gerald Ford, you had Pat Buchanan run against George H.W. Bush. That culture seems to be gone from American politics. And I don't think that's a very good thing. And I want to add one other thing. The argument is that by having a primary, it hurts the general election nominee. I think it's the exact opposite. I think a tough, competitive primary ends up battle testing and making sure the general election nominee can actually compete in the general election before they become the general election nominee.

GG: And you saw, you know, even though the former president Donald Trump was running in the Republican Party, he had a lot of challenges to his candidacy. And as a result, even though he didn't participate, the Republican Party got in front of cameras and got in front of an audience and sold the Republican Party repeatedly while the Democrats were silent. I remember early on, Symone Sanders, this was when RFK junior was still a candidate in the

Democratic primary, and he was polling at 15 to 20% and Cornel West was also a declared candidate within the Democratic Party, and Marianne Williamson as well, and you had, you know, 25 to 30% of Democrats saying they didn't want to vote for Joe Biden. And I saw Symone Sanders, who used to be Kamala Harris and Joe Biden's top White House aide and now works at MSNBC, the normal path, go on air and basically just say we're not having a primary. Our nominee is Joe Biden. And I would listen to it and I was wondering to myself, how can the DNC just declare that there's not going to be a primary? And as you say, they did everything possible to ensure that it didn't happen at the same time that they're insisting that they're the only ones who can save American democracy.

David, let me ask you something about what I had alluded to earlier, which is this kind of new sentiment within the Republican Party. I think in the Reagan era, Republicans were defined by Reaganomics, by this idea that you do everything you can to help the bottom line in the profits of large corporations, that a rising tide lifts all boats, that was supply side economics, and eventually that profit for the highest and richest people would trickle down to the lower classes. And I think very little of that [is] happening. So now you have within the Republican Party, when Donald Trump ran in 2016, he challenged not only Bush-Cheney-foreign policy, but even Reagan economics, at least rhetorically. And you've had senators like Josh Hawley and J.D. Vance, who have run on a position of economic populism and when Bernie Sanders, held up the Covid relief bill and said he would filibuster it unless they had direct payments to the American people, Josh Hawley was the one senator who stood on his side. And I believe Senator Hawley, as well, is defending these reforms to the airline bill. Do you see any real emergence of a kind of populist or anti-corporate or pro-consumer sentiment within the Republican Party, even though it may not be the dominant strain?

DS: Look, I think on Trump, I think he at times said things, he echoed rhetoric that was an appeal economically to working class people, I don't...

GG: And he did veto that Covid bill because the \$600 that Bernie Sanders and Josh Hawley got, he said, weren't enough. And he said, I want \$2,000 in this bill. So there were occasional acts as well...

DS: I don't think he governed much differently than past Republicans when it came to economics. But I will say, I do think you are right to say that the Democratic Party on economics, has clearly decided that it wants to appeal to – it really doesn't want to talk very much about economics. It wants to talk about cultural and social issues, to appeal to kind of affluent voters. And I think what that has left is a kind of a vacuum and a competition for working class voters. Now I think what's gone on is that the Republican Party has oftentimes tried to attract working class voters with purely cultural appeals while mixing in Reaganomics, that hurts working class voters. So I think the senators that you mentioned see a potential opportunity. They see an opportunity to make an economic appeal to working class voters. Will they follow through and actually follow that path? I mean, that to me remains the big question. It also remains a question to me, where is the New Deal wing of the Democratic Party? Where did that wing of the Democratic Party go? And by that I mean the

populist economic wing of the Democratic Party that existed into, at least into the early Obama administration? I think the answer to that question is that Wall Street doesn't like that part of the Democratic Party and has worked very hard to rid that part of the Democratic Party from the party. So it has created a huge opportunity for the Republicans. But I will say one last thing, I just want to say, on this, I'm not convinced that the Republican Party, as a party, its leadership, its establishment, is really serious about working class economics, because it's really more aligned with corporate interests up until this point. But again, I think things can shift. It's going to remain to be seen whether they will.

GG: Yes. Like I said, it's a strain, but it's by no means the dominant faction. But you hope it grows. If you ask Josh Hawley or J.D. Vance, those people of the world, they will tell you they think their future of the Republican Party is to have affluent suburbanites migrate further to the Democratic Party, as they've been doing, and to have the Republican Party become the party of a multiracial working class. And there's some voter trends that suggest that that's happening to some extent. But I think there are people in the Republican Party who believe that that's the path to electoral success, whether that is matched by policy.

DS: I mean, I will tell you, I remain mystified, not mystified, I'm not confused about why, but it remains – the major weakness of the Democratic Party to my mind right now is that it comes off as a party that is not interested in speaking economically to working class voters, and that is a huge vulnerability. They are betting, and I'm not saying in the short term it's necessarily a bad, a not smart political bet, they are betting that, for instance, the reproductive freedom, choice, abortion, etc., etc., that that argument about how the Republicans have gone so far to the extreme end on that, that that alone will win them the election. I think that's a dangerous gamble for the long haul. If you don't have a message about what people are dealing with economically, what the working class is dealing with economically, you may be able to win an election here or there on cultural issues, social issues which are important, you may be able to win some of those elections, but over the long haul, the question typically in America comes back to: Are you better off than you were four years ago? And better off, meaning better off on the economy. Are you able to survive?!

GG: Yeah, exactly. I think the Democrats had some success in low turnout elections, where the overturning of Roe versus Wade and some of the Republican proposals in the wake of that got people to the polls and they won some elections based on it. I think it's much different in a presidential election where people in much larger numbers go to the polls. And as Bill Clinton and his war room famously put on the wall: It's the economy, stupid. And that's generally the way that elections are determined. All right, David, I really appreciate the conversation. Please let people know where they can go to find and support both your work and your new podcast.

DS: You can find our website at levernews.com, and you can go subscribe to our podcast at levertimepod.com. Glenn, thanks for having me.

GG: Yeah, congratulations on the big story with the airlines reform. We love to see you guys continue to do that work. And it's always great to see you. Have a good evening.

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